



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

Room 029 State Capitol, Denver, CO 80203-1784

Phone: (303) 866-3521 • Fax: (303) 866-3855

[lcs.ga@state.co.us](mailto:lcs.ga@state.co.us) • [leg.colorado.gov/lcs](http://leg.colorado.gov/lcs)

## Fiscal Note Packet

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# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0929	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Moreno Rep. McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Anna Gerstle   303-866-4375 Anna.Gerstle@state.co.us
<b>Bill Topic:</b>	<b>EDUCATOR LICENSURE CASH FUND</b>		
<b>Summary of Fiscal Impact:</b>	<b>Budget package bill — no fiscal impact.</b> The bill continuously appropriates the Educator Licensure Cash Fund to the Colorado Department of Education through FY 2023-24.		
<b>Appropriation Summary:</b>	No appropriation is required.		
<b>Fiscal Note Status:</b>	This fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee.		

## Summary of Legislation

Under current law, the Educator Licensure Cash Fund is continuously appropriated to the Colorado Department of Education (CDE) through the current FY 2020-21. The bill extends this spending authority and associated reporting requirements through FY 2023-24.

## Background

The Educator Licensure Cash Fund contains revenue from fees paid by educators seeking licenses, authorizations, and endorsements, and covers the costs for CDE's Office of Professional Services to implement the Colorado Educator Licensure Act.

## Assessment of No Fiscal Impact

The bill provides additional flexibility for CDE to use funds in the Educator Licensure Cash Fund, but does not change the revenue, expenditures, or workload of the department. As a result, the bill is assessed as having no fiscal impact.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Education



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# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0948	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Moreno; Rankin Rep. Herod	<b>Bill Status:</b>	House Appropriations
		<b>Fiscal Analyst:</b>	Anna Gerstle   303-866-4375 Anna.Gerstle@state.co.us

**Bill Topic:** PUBLIC SCHOOL CAP CONSTRUCTION ASSISTANCE FUND TRANSFER

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> School District

**Budget package bill.** In FY 2021-22, the bill transfers \$100.0 million from the Marijuana Tax Cash Fund for the BEST program and correspondingly increases state expenditures.

**Appropriation Summary:** In FY 2021-22, the bill includes an appropriation of \$100.0 million to the Colorado Department of Education.

**Fiscal Note Status:** This fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-207**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	Public School Cap. Const. Assistance Fund	\$100,000,000	-
	<b>Total Expenditures</b>	<b>\$100,000,000</b>	-
Transfers	Marijuana Tax Cash Fund	(\$100,000,000)	-
	Public School Cap. Const. Assistance Fund	\$100,000,000	-
	<b>Net Transfer</b>	<b>\$0</b>	-
TABOR Refund		-	-

## **Summary of Legislation**

The bill transfers \$100.0 million from the Marijuana Tax Cash Fund to the Public School Capital Construction Assistance Fund on June 1, 2022. It also appropriates that amount for cash grants through the Building Excellent Schools Today (BEST) program.

## **State Transfers**

In FY 2021-22, the bill transfers \$100.0 million from the Marijuana Tax Cash Fund to the Public School Capital Construction Assistance Fund.

## **State Expenditures**

In FY 2021-22, the bill increases state expenditures by \$100.0 million for the Colorado Department of Education to award grants through the BEST program using funding transferred to the Public School Capital Construction Assistance Fund.

## **School District**

Increasing the funding that is available for grants through the BEST program will increase the amount awarded to participating school districts.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2021-22, the bill includes an appropriation of \$100.0 million from the Public School Capital Construction Assistance Fund to the Colorado Department of Education.

## **State and Local Government Contacts**

Education



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# Fiscal Note

**Drafting Number:** LLS 21-0960  
**Prime Sponsors:** Sen. Moreno  
Rep. Herod

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Anna Gerstle | 303-866-4375  
Anna.Gerstle@state.co.us

**Bill Topic:** GENERAL FUND TRANSFER TO STATE EDUCATION FUND

**Summary of  
Fiscal Impact:**

- |  |  |
|--|--|
| <input type="checkbox"/> State Revenue             | <input type="checkbox"/> TABOR Refund            |
| <input type="checkbox"/> State Expenditure         | <input type="checkbox"/> Local Government        |
| <input checked="" type="checkbox"/> State Transfer | <input type="checkbox"/> Statutory Public Entity |

**Budget package bill.** The bill transfers \$100.0 million from the General Fund to the State Education Fund.

**Appropriation  
Summary:** No appropriation is required.

**Fiscal Note  
Status:** This fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB21-208**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures		-	-
Transfers	General Fund	(\$100,000,000)	-
	State Education Fund	\$100,000,000	-
	Net Transfer	\$0	-
TABOR Refund		-	-

## **Summary of Legislation**

On July 1, 2021, the bill transfers \$100.0 million from the General Fund to the State Education Fund.

## **State Transfers**

The bill transfers \$100.0 million from the General Fund to the State Education Fund in FY 2021-22.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Education



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# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0840	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Rankin Rep. McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Sonia Hatfield   303-866-5851 Sonia.Hatfield@state.co.us

**Bill Topic:** TRANSFER TO GENERAL FUND FROM REPEALED CASH FUNDS

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** This bill transfers money from funds that were statutorily repealed to the General Fund, increasing the amount of General Fund available by \$54,187.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note reflects the introduced bill. This bill was recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-209**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures		-	-
Transfers	Economic Gardening Pilot Project Fund	(\$15,813)	-
	Public School Energy Efficiency Fund	(\$38,374)	-
	General Fund	\$54,187	-
	<b>Total</b>	<b>\$0</b>	-
TABOR Refund		-	-



## **Summary of Legislation**

The bill transfers unexpended money to the General Fund from two funds that were repealed and thus no longer exist in statute—the Economic Gardening Pilot Project Fund and the Public School Energy Efficiency Fund.

## **State Transfers**

In FY 2021-22, the bill transfers an estimated \$54,187 in any unexpended and unencumbered funds in two repealed cash funds to the General Fund. Of this amount, an estimated \$15,813 is from the Economic Gardening Pilot Project Fund and \$38,374 is from the Public School Energy Efficiency Fund.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Colorado Energy Office  
Office of Economic Development and International Trade  
Treasury



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Nonpartisan Services for Colorado's Legislature

# Fiscal Note

**Drafting Number:** LLS 21-0867  
**Prime Sponsors:** Sen. Hansen  
Rep. Ransom

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Max Nardo | 303-866-4776  
Max.Nardo@state.co.us

**Bill Topic:** REMOTE SUPPORTS FOR ELDERLY, BLIND, & DISABLED WAIVER

**Summary of Fiscal Impact:**

- |   |  |
|---|--|
| <input type="checkbox"/> State Revenue                | <input type="checkbox"/> TABOR Refund            |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government        |
| <input type="checkbox"/> State Transfer               | <input type="checkbox"/> Statutory Public Entity |

**Budget package bill.** The bill authorizes the use of remote supports in the Medicaid Elderly, Blind, and Disabled waiver program. It decreases state expenditures on an ongoing basis.

**Appropriation Summary:** No appropriation is required, assuming the required change in appropriations is made in the Long Bill. See State Appropriations section.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee.

**Table 1**  
**State Fiscal Impacts Under SB 21-210**

		Budget Year FY 2021-22	Out Year FY 2022-23	Out Year FY 2022-23
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	General Fund	(\$185,044)	(\$555,136)	(\$740,181)
	Cash Funds	(\$5,292)	(\$15,874)	(\$21,165)
	Federal Funds	(\$190,337)	(\$571,010)	(\$761,347)
	<b>Total Expenditures</b>	<b>(\$380,673)</b>	<b>(\$1,142,020)</b>	<b>(\$1,522,693)</b>
<b>Transfers</b>		-	-	-
<b>TABOR Refund</b>		-	-	-

## **Summary of Legislation**

The bill authorizes the use of remote supports with Medicaid clients enrolled in the Home and Community Based Services Medicaid Elderly, Blind, and Disabled waiver.

## **Background**

This change in law is associated with a FY 2021-22 budget request made by the Department of Health Care Policy and Financing (HCPF) and recommended by Joint Budget Committee staff for approval in the Long Bill. The request is for a funding reduction made possible by the incorporation of a remote support option into existing electronic monitoring services in several home and community-based services waivers. While all other waivers allow for this change under current law, the Elderly, Blind, and Disabled Waiver requires a change in law, as implemented by this bill. This transition requires approval from the federal Centers for Medicare and Medicaid Services, so implementation is planned for January 1, 2022.

Remote supports are an emerging service model that combines technology and direct care to support people with disabilities and reduces the use of in-person services. Examples of remote supports include monitors, sensors, and communication devices that allow attendants in a separate location to provide verbal prompts to members in their homes.

## **State Expenditures**

The bills reduces expenditures in HCPF of \$380,673 in FY 2021-22, \$1,142,020 in FY 2022-23, and \$1,522,193 in FY 2023-24, when the program is fully implemented. The reductions consist of General Fund, cash funds, and federal funds, as shown in Table 1.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2021-22, the bill requires the following reductions in appropriations in the Department of Health Care Policy and Financing:

- \$185,044 from the General Fund;
- \$5,292 from the Healthcare Affordability and Sustainability Fee Cash Fund; and
- \$190,337 from federal funds.

It is assumed that the required change in appropriations will be approved by the General Assembly as proposed in the Long Bill. The reduction amounts shown here are a component of the reductions attributable to the Elderly, Blind, and Disabled waiver in HCPF' budget request R-06, which reduces expenditures across multiple waiver programs. If this change in appropriations is not included in the Long Bill, it should be made in this bill.

## **State and Local Government Contacts**

Health Care Policy and Financing

Joint Budget Committee Staff

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: [leg.colorado.gov/fiscalnotes](https://leg.colorado.gov/fiscalnotes).



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# Fiscal Note

**Drafting Number:** LLS 21-0868  
**Prime Sponsors:** Sen. Moreno  
Rep. Herod

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Clare Pramuk | 303-866-2677  
clare.pramuk@state.co.us

**Bill Topic:** ADULT DENTAL BENEFIT

**Summary of  
Fiscal Impact:**

- ☐ State Revenue
- ☒ State Expenditure
- ☒ State Transfer

- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

**Budget package bill.** This bill repeals the \$1,000 annual Medicaid adult dental benefit cap, reverses and repeals various fund transfers, and makes appropriations. It increases state expenditures in FY 2021-22.

**Appropriation Summary:** For FY 2021-22, the bill includes appropriations of \$5,565,000 to the Department of Health Care Policy and Financing.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. It was recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-211**

		Current Year FY 2020-21	Budget Year FY 2021-22	Out Year FY 2022-23
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	Cash Funds	-	\$1,522,875	-
	Federal Funds	-	\$4,042,125	-
	<b>Total Expenditures</b>	-	<b>\$5,565,000</b>	-
	<b>Total FTE</b>	-	-	-
<b>Transfers</b>	General Fund	(\$1,139,402)	(\$2,278,804)	-
	Cash Funds	\$1,139,402	\$2,278,804	-
	<b>Net Transfer</b>	<b>\$0</b>	<b>\$0</b>	-
<b>TABOR Refund</b>		-	-	-

## **Summary of Legislation**

House Bill 20-1361 capped the Medicaid adult dental benefit to \$1,000 annually for FY 2020-21 and FY 2021-22 and required transfers of \$1,139,402 in FY 2020-21 and \$2,278,804 in FY 2021-22 from the Unclaimed Property Trust Fund to the General Fund. This bill:

- repeals the adult dental benefit cap;
- transfers \$1,139,402 from the General Fund to the Unclaimed Property Trust Fund,
- repeals a scheduled transfer of \$2,278,804 from the Unclaimed Property Trust Fund to the General Fund;
- appropriates \$331,462 from the Healthcare Affordability and Sustainability (HAS) Fee Cash Fund; and
- appropriates \$1,187,152 from the Adult Dental Fund.

## **Background**

**Adult Dental Benefit.** The adult dental benefit under Medicaid receives funding from the Adult Dental Cash Fund, which is funded through transfers from the Unclaimed Property Trust Fund. The Treasurer transfers enough funds to implement the adult dental benefit after first reserving enough funds to cover the costs for paying unclaimed property claims, anticipated claims, and any other statutorily required publications or correspondence related to the unclaimed property program.

**Colorado Healthcare Affordability and Sustainability Enterprise.** The Colorado HAS Enterprise in the Department of Health Care Policy and Financing (HCPF) collects a HAS fee from hospitals for the purpose of obtaining federal matching money to support the state's Medicaid and Indigent Care Programs.

## **State Transfers**

The bill transfers \$1,139,402 from the Unclaimed Property Trust Fund to the General Fund in FY 2020-21. In addition, the bill eliminates a transfer of \$2,278,804 from the Unclaimed Property Trust Fund to the General Fund in FY 2021-22.

## **State Expenditures**

Repealing the cap on the adult dental benefit increases costs for HCPF by \$5,565,000 in FY 2021-22, including \$335,723 from the Health Care Affordability and Sustainability Fee Cash Fund, \$1,187,152 from the Adult Dental Fund, and \$4,042,125 in federal funds. The adult dental benefit was not capped under current law beyond FY 2021-22, so there is no change to expenditures in subsequent years.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2021-22, the bill includes the following appropriations to the Department of Health Care Policy and Financing:

- \$335,723 from the Healthcare Affordability and Sustainability Fee Cash Fund;
- \$1,187,152 from the Adult Dental Fund; and
- \$4,042,125 from federal funds.

## **State and Local Government Contacts**

Joint Budget Committee Staff



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0869	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Moreno Rep. McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Max Nardo   303-866-4776 Max.Nardo@state.co.us

<b>Bill Topic:</b>	<b>PRIMARY CARE PAYMENTS ALIGN FEDERAL FUNDING</b>
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<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** The bill directs the Department of Health Care Policy and Financing to align payments from the Primary Care Fund with Medicaid to maximize the receipt of federal matching funds.

<b>Appropriation Summary:</b>	No appropriation is required.
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<b>Fiscal Note Status:</b>	The fiscal note reflects the introduced bill.
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**Table 1  
State Fiscal Impacts Under SB 21-212**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	Federal Funds	\$25.3 million	\$25.3 million
Transfers		-	-
TABOR Refund		-	-



## **Summary of Legislation**

The Primary Care Fund, administered by the Department of Health Care Policy and Financing, is used to reimburse primary care providers that serve uninsured individuals. The fund receives 19 percent of state tobacco tax revenue, which is distributed in proportion to the number of uninsured individuals served by the provider. The bill requires the department, to the extent permitted by the state constitution and federal government, to align payments from this fund with Medicaid to maximize the receipt of federal matching funds.

## **State Expenditures**

If federal approval is granted, the bill is expected to result in an additional \$25,330,755 in federal matching funds for primary care providers that receive payments from the Primary Care Fund who are also Medicaid providers.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Health Care Policy and Financing

Joint Budget Committee Staff



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

**Drafting Number:** LLS 21-0870  
**Prime Sponsors:** Sen. Moreno  
Rep. McCluskie

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Matt Bishop | 303-866-4796  
Matt.Bishop@state.co.us

**Bill Topic:** **USE OF INCREASED MEDICAID MATCH**

**Summary of  
Fiscal Impact:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> State Revenue     | <input type="checkbox"/> TABOR Refund            |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government        |
| <input type="checkbox"/> State Transfer               | <input type="checkbox"/> Statutory Public Entity |

**Budget package bill.** The bill continues the state's use of a temporary increase in federal funds related to Medicaid from the Families First Coronavirus Response Act to reduce General Fund obligations rather than having the benefit accrue to cash funds.

**Appropriation Summary:** For FY 2021-22, the bill increases and decreases appropriations in multiple state agencies. See the State Appropriations section.

**Fiscal Note Status:** The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.

**Table 1**  
**State Fiscal Impacts Under SB 21-213**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	General Fund	\$7,396,818	\$4,814,340
	<b>Total Revenue</b>	<b>\$7,396,818</b>	<b>\$4,814,340</b>
Expenditures	General Fund	(\$67,561,519)	(\$5,115,592)
	Cash Funds	\$57,330,334	-
	Federal Funds	(\$13,127,686)	(\$6,563,843)
	<b>Total Expenditures</b>	<b>(\$23,358,871)</b>	<b>(\$11,679,435)</b>
Transfers		-	-
TABOR Refund		-	-

## **Summary of Legislation**

Last year, House Bill 20-1385 allowed the state to use a temporary increase in federal funds related to Medicaid from the Family First Coronavirus Response Act to reduce General Fund obligations rather than having the benefit accrue to cash funds, for FY 2019-20 and FY 2020-21. This bill continues these provisions for any fiscal year in which the increased reimbursements are available.

Specifically, the amount of federal matching funds received in excess of 50.0 percent federal financial participation generated by increased reimbursements pursuant to the Families First Coronavirus Response Act are transferred to or otherwise accrue to the General Fund, for the following medical service payment types:

- provider fee on hospitals (Healthcare Affordability and Sustainability Fee Cash Fund);
- provider fee on nursing facilities (Medicaid Nursing Facility Cash Fund);
- University of Colorado Health Sciences Center; and
- expenditures reimbursed through certifications of public expenditures for services rendered to medically indigent individuals.

## **Background**

On March 18, 2020, the Families First Coronavirus Response Act was signed into federal law. The act provides a temporary 6.2 percentage point increase to the federal match rate for each state's Medicaid spending effective beginning January 1, 2020, and extending through the last day of the calendar quarter in which the public health emergency declared by the Secretary of Health and Human Services for COVID-19.

## **Assumptions**

The duration of the declared public health emergency is unknown; the fiscal note is based on the Joint Budget Committee's decision to assume for budgeting purposes that the increased federal match will be in effect through December 31, 2021.

Federal payments can lag the services they reimburse by as much as a year. Therefore, some fiscal impacts are expected to accrue in FY 2022-23 for services provided in FY 2021-22.

## **State Revenue**

State General Fund revenue to the Department of Health Care Policy and Financing (HCPF) will increase by an expected \$7,396,818 in FY 2020-21 and \$4,814,340 in FY 2021-22. Revenue comes from excess federal matching funds for providers of services for medically indigent individuals, and is not subject to TABOR.

## State Expenditures

Overall, the bill decreases state expenditures by \$23.4 million in FY 2021-22, which includes reductions of \$67.6 million from the General Fund and \$13.1 million in federal funds, and an increase of \$57.3 million in cash funds. For FY 2022-23, General Fund and federal fund expenditures decrease by \$11.7 million. These impacts are shown in Table 2 and discussed below.

**Provider fee offsets.** For FY 2021-22, the bill decreases General Fund expenditures by \$57.3 million in HCPF and increases cash fund expenditures from provider fees by the same total, resulting in no net change in state expenditures. The increased federal match rate on hospital and nursing facility provider fee expenditures offsets cash fund expenditures in these areas; the bill shifts these savings to the General Fund, keeping cash fund spending at the level it would be in the absence of the increased federal match.

**CU Health Sciences Center.** Care provided by faculty members at the University of Colorado medical campus can be eligible for payment through Medicaid, which is reappropriated to the Department of Higher Education from HCPF. The increased federal match rate for these expenditures reduces the General Fund obligation for these medical services. On net, for FY 2021-22, the bill decreases state spending in HCPF and the Department of Higher Education by about \$23.4 million, of which \$10.2 million is General Fund and \$13.1 million are federal funds, as well as reducing associated reappropriations of funds. In FY 2022-23, the bill decreases state spending in the Department of Higher Education by \$11.7 million, including \$5.1 million from the General Fund and \$6.6 million in federal funds.

**Table 2  
Expenditures Under SB 21-213**

	<b>FY 2021-22</b>	<b>FY 2022-23</b>
<b>HCPF – Provider Fees</b>		
Healthcare Affordability and Sustainability Fee Cash Fund	\$53,694,293	-
Medicaid Nursing Facility Cash Fund	\$3,636,041	-
General Fund	(\$57,330,334)	-
<b>Subtotal: provider fees</b>	<b>\$0</b>	<b>-</b>
<b>HCPF – University of Colorado</b>		
CU Health Sciences Center (General Fund)	(\$10,231,185)	(\$5,115,592)
CU Health Sciences Center (Federal Funds)	(\$13,127,686)	(\$6,563,843)
<b>Subtotal: HCPF – University of Colorado</b>	<b>(\$23,358,871)</b>	<b>(\$11,679,435)</b>
<b>Total</b>	<b>(\$23,358,871)</b>	<b>(\$11,679,435)</b>

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2021-22, the bill includes the following changes to appropriations for HCPF:

- decreases General Fund appropriations for Medicaid by \$57,330,334;
- increases cash fund Medicaid appropriations by the same amount, of which \$53,694,293 is from the Healthcare Affordability and Sustainability Fee Cash Fund and \$3,636,041 is from the Medicaid Nursing Facility Cash Fund; and
- decreases federal funds anticipated for Medicaid by \$13,127,686.

For FY 2021-22, the bill reduces General Fund appropriations to the Department of Higher Education by \$10,231,185, along with the corresponding reappropriation of funds to HCPF and the University of Colorado Board of Regents.

## **State and Local Government Contacts**

Joint Budget Committee



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 21-0917  
**Prime Sponsors:** Sen. Hansen  
Rep. McCluskie

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Clare Pramuk | 303-866-2677  
clare.pramuk@state.co.us

**Bill Topic:** STATE PAYMENT HOSPICE PROVIDERS RESIDENTIAL CARE

**Summary of  
Fiscal Impact:**

- |   |  |
|---|--|
| <input type="checkbox"/> State Revenue                | <input type="checkbox"/> TABOR Refund            |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government        |
| <input type="checkbox"/> State Transfer               | <input type="checkbox"/> Statutory Public Entity |

**Budget package bill.** The bill provides a state payment to qualified hospice providers for care of persons enrolled in Medicaid who are unable to secure a bed in a nursing facility due to the presence of COVID-19 in the state or for other reasons described in the bill. The bill increases state expenditures in FY 2020-21 and FY 2021-22.

**Appropriation Summary:** For FY 2020-21, the bill includes an appropriation of \$684,000 to the Department of Health Care Policy and Financing that is further appropriated to FY 2021-22.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-214**

		Current Year FY 2020-21	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue			-	-
Expenditures	General Fund	\$684,000	-	-
Transfers			-	-
TABOR Refund			-	-

## **Summary of Legislation**

The bill authorizes a state payment to qualified hospice providers that provide hospice services to persons enrolled in Medicaid and who are eligible for care in a nursing facility, but who are unable to secure a bed in a nursing facility due to the presence of COVID-19 in the state or for other reasons described in the bill. The eligible patient must have a hospice diagnosis. The state payment to a qualified hospice provider is limited to not more than 28 days for each eligible patient.

The qualified hospice provider must provide residential services to an eligible patient during the fourth quarter of FY 2020-21 or during FY 2021-22. The state payment is an amount equal to one-half of the statewide average per diem rate for nursing facilities. State payments are limited to appropriations made for this purpose.

The Department of Health Care Policy and Financing is responsible for administering the state payment and is required to seek input from qualified hospice providers concerning the administration of the payment and the allocation of available appropriations. The State Board of Medical Services may adopt necessary rules for implementation.

## **Background**

As a result of the COVID-19 disaster emergency and due to census limitations in nursing facilities, some clients who are at end-of-life and require hospice care have not been able to access the necessary level of care in an appropriate setting. Given the lack of available beds in inpatient settings and the care requirements of these patients, providers believe that a second option for placement is in a hospice care unit. However, placement in hospice care units are not eligible for Medicaid reimbursement.

## **State Expenditures**

The bill will increase General Fund expenditures for the Department of Health Care Policy and Financing by \$684,000 for expenditures beginning in FY 2020-21 and ending in FY 2021-22. This assumes an average of 13 patients per day will receive hospice services at an average state per diem rate of \$115.38 for 456 days. The department will work with stakeholders to implement the provisions of the bill and the State Board of Medical Services will adopt any rules necessary for implementation.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2020-21, the bill includes a General Fund appropriation of \$684,000 to the Department of Health Care Policy and Financing. Funds not expended prior to July 1, 2021, are further appropriated for FY 2021-22.

## **State and Local Government Contacts**

Health Care Policy and Financing

Joint Budget Committee Staff





## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

**Drafting Number:** LLS 21-0871  
**Prime Sponsors:** Sen. Hansen; Rankin  
Rep. Herod; McCluskie  
**Date:** April 05, 2021  
**Bill Status:** Senate Appropriation  
**Fiscal Analyst:** Josh Abram | 303-866-3561  
Josh.Abram@state.co.us

**Bill Topic:** USE OF OPEN EDUCATIONAL RESOURCES IN HIGHER ED

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** The bill continues and modifies the use of open educational resources in higher education. The bill increases state expenditures beginning in FY 2021-22.

**Appropriation Summary:** For FY 2021-22, the bill includes an appropriation of \$1,108,200 to the Department of Higher Education.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. The bill is recommended by the Joint Budget Committee.

**Table 1**  
**State Fiscal Impacts Under SB 21-215**

	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	-	-
Expenditures		
General Fund	\$1,108,200	\$1,108,200
Centrally Appropriated	\$17,292	\$17,292
<b>Total Expenditures</b>	<b>\$1,125,492</b>	<b>\$1,125,492</b>
<b>Total FTE</b>	<b>1.0 FTE</b>	<b>1.0 FTE</b>
Transfers	-	-
TABOR Refund	-	-

## Summary of Legislation

The bill reauthorizes and modifies programs to promote the use of open educational resources (OER) in higher education. OER are teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that permits free use and repurposing by others.

The bill extends the repeal of the Open Educational Resources Council (OER council) and the OER Grant Program from November 1, 2021, to November 1, 2026. It allows grants to be awarded to replicate zero-textbook-cost degree programs, modifies OER reporting requirements, and requires that students be notified of courses that use OER at the point of registration.

For FY 2021-22, the bill appropriates \$1,108,200 from the General Fund to the DHE.

## State Expenditures

In FY 2021-22 and FY 2022-23, the bill increases state expenditures in the Department of Higher Education by \$1,125,492 and 1.0 FTE as shown in Table 2.

**Table 2**  
**State Expenditures under SB 21-215**

<b>Cost Components</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>
<b>Department of Higher Education</b>		
Personal Services	\$71,770	\$71,770
Operating Expenses	\$1,350	\$1,350
Travel, Conferences, and Training	\$35,080	\$35,080
Grants	\$1,000,000	\$1,000,000
Centrally Appropriated Costs <sup>1</sup>	\$17,292	\$17,292
<b>Total</b>	<b>\$1,125,492</b>	<b>\$1,125,492</b>
<b>Total FTE</b>	<b>1.0 FTE</b>	<b>1.0 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**OER council and grant program.** House Bill 18-1331 created the OER council in the DHE to recommend statewide policies, develop materials, facilitate professional development at institutions of higher education, and convene an OER conference and other workshops for educators. The council also implements the OER grant program, which has awarded \$500,000 to public institutions of higher education in the first year, and \$1.0 million was awarded in the second year. The DHE has 1.0 FTE dedicated staff to support the council and the grant program. The bill continues the OER council, annual conference and travel costs, and the grant program and related administrative FTE.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$17,292 per year.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2021-22, the bill includes an appropriation of \$1,108,200 from the General Fund to the Department of Higher Education, and 1.0 FTE

## **State and Local Government Contacts**

Higher Education



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 21-0826  
**Prime Sponsors:** Sen. Rankin  
Rep. Herod

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Erin Reynolds | 303-866-4146  
Erin.Reynolds@state.co.us

**Bill Topic:** AUXILIARY SERVICES RURAL AREAS

**Summary of Fiscal Impact:** **Budget package bill—no fiscal impact.** This bill codifies an existing program that requires the Colorado Commission for the Deaf, Hard of Hearing, and DeafBlind in the Department of Human Services to provide auxiliary services in rural areas of the state using funding from the Telephone Users with Disabilities Fund. It is assessed as having no fiscal impact.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.

## Summary of Legislation

The bill requires the Colorado Commission for the Deaf, Hard of Hearing, and DeafBlind to arrange for the provision of auxiliary services in rural areas of the state. The commission must provide annual program reporting to the Joint Budget Committee (JBC). The bill also modifies grant eligibility requirements to remove the requirement that a nonprofit organization must be a community-based organization to be eligible to apply for grant money. Finally, the bill directs the Public Utilities Commission to implement a cost-recovery mechanism to support the provision of auxiliary services in rural areas of the state.

## Assessment of No Fiscal Impact

The bill codifies the Rural Auxiliary Services program in statute, which began as a two-year pilot program created through a JBC decision during the FY 2018-19 budget process. Starting in FY 2020-21, \$700,000 cash funds spending authority from the Telephone Users with Disabilities Fund is provided on an ongoing basis for the continuation of the program. This funding provides: provision of American Sign Language and English interpreting services in locations outside of the Front Range (\$440,000); initial and advanced interpreter training to increase the number of qualified interpreters in rural communities (\$200,000); and outreach to those who need service and those who may be able to provide such service (\$60,000). As this bill codifies an existing and funded program, it is assessed as having no fiscal impact.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Human Services

Joint Budget Committee

Regulatory Agencies



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0859	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Hansen; Rankin Rep. Herod; McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Will Clark   303-866-4720 Will.Clark@state.co.us

<b>Bill Topic:</b>	<b>MARKET RATE STUDY FOR CHILD CARE ASSISTANCE PROGRAM</b>
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<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** This bill reduces the frequency of the market rate study of provider rates for the Colorado Child Care Assistance Program. The bill decreases state expenditures in FY 2021-22 and FY 2022-23.

<b>Appropriation Summary:</b>	For FY 2021-22, this bill requires a reduction in appropriations of \$55,000 to the Department of Human Services.
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<b>Fiscal Note Status:</b>	This fiscal note reflects the introduced bill.
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**Table 1**  
**State Fiscal Impacts Under LLS 21-0859**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	General Fund	(\$55,000)	(\$55,000)
Transfers		-	-
TABOR Refund		-	-

## **Summary of Legislation**

Under current law, the Department of Human Services (DHS), in consultation with counties, must annually contract for a market rate study of provider rates for the Colorado Child Care Assistance Program. DHS must also provide copies of the study to the Joint Budget Committee by January of each year. This bill changes the requirement so that DHS will contract for the study and provide copies of it to the Joint Budget Committee every three years, to align with federal requirements.

## **State Expenditures**

By changing the contracting and reporting requirement from annual to every three years, the bill decreases expenditures in the DHS by \$55,000 in FY 2021-22 and FY 2022-23. Costs will next be incurred for the study in FY 2023-24.

## **Local Government**

The bill reduces workload for counties to the extent that they will consult with DHS for the market rate study of provider rates for the Colorado Child Care Assistance Program every three years instead of annually.

## **Effective Date**

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State Appropriations**

For FY 2021-22, the bill requires and includes a reduction of \$55,000 in General Fund to the Department of Human Services.

## **State and Local Government Contacts**

Counties

Human Services

Information Technology



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0911	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Hansen; Rankin Rep. McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Sonia Hatfield   303-866-5851 Sonia.Hatfield@state.co.us

**Bill Topic:** **CDLE EMPLOYMENT AND TRAINING TECHNOLOGY FUND**

<b>Summary of Fiscal Impact:</b>	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** This bill changes the revenue requirements for the Employment and Training Technology Fund. It requires a one-time transfer of funds and increases state revenue through FY 2030-31.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note reflects the introduced bill.

**Table 1  
State Fiscal Impacts Under SB 21-218**

		Current Year FY 2020-21	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	Cash Funds	\$4,300,000	\$13,800,000	\$17,800,000
Expenditures		-	-	-
Transfers	Cash Funds	(\$591,215)	-	-
	Cash Funds	\$591,215	-	-
	Net Transfer	\$0	-	-
TABOR Refund		-	-	-



## **Summary of Legislation**

Under current law, revenue from a 0.0004 assessment on employers' unemployment insurance premiums is allocated to the Employment and Training Technology Fund (Technology Fund) in the Department of Labor and Employment (CDLE) to fund employment and training automation initiatives established by the Division of Unemployment Insurance director. Revenue to the Technology Fund is limited to \$10.0 million per year and a cumulative \$100.0 million. Any amount of revenue from the assessment that exceeds these caps is allocated to the Unemployment Compensation Fund (UCF). Additionally, if the balance in the UCF falls below \$100.0 million, the money in the Technology Fund is allocated to the UCF.

This bill changes the revenue requirements for the Technology Fund by:

- repealing the requirement to allocate the Technology Fund revenue to the UCF when the UCF balance falls below \$100.0 million;
- repealing the \$10.0 million annual cap on revenue to the Technology Fund between enactment and June 30, 2023;
- adding a new \$7.0 million annual cap on revenue to the Technology Fund starting on July 1, 2023;
- removing the limit of \$100.0 million in cumulative revenue to the Technology Fund;
- repealing the assessment for the Technology Fund on June 30, 2031; and
- clarifying that the unencumbered balance in the Technology Fund as of June 30, 2020, and any amount received in the Technology Fund between July 1, 2020, and bill's effective date will be transferred to the UCF.

This bill will increase state revenue through 2031, and is repealed effective June 30, 2031.

## **Background**

The Joint Technology Committee recommended that the General Assembly provide funding to modernize the Unemployment Insurance Colorado Automated Tax System (CATS) and replace it with a new system for collecting unemployment insurance premiums from employers. Based on this recommendation, the Joint Budget Committee has included a FY 2021-22 appropriation of \$28,422,240 from the Employment and Training Technology Fund to CDLE in the Long Bill, which remains available for three years.

Because the balance of the UCF is currently less than \$100.0 million and expected to remain below \$100.0 million for several years, the balance of the Technology Fund would be transferred to the UCF under current law, preventing CDLE from using the Long Bill appropriation. This bill addresses that issue.

## State Revenue

This bill will increase state revenue to the Technology Fund in the CDLE through FY 2030-2031. Revenue to the Technology Fund will increase by \$35.9 million between FY 2020-21 and FY 2022-23, as shown in Table 2 from the assessment on unemployment insurance premiums. This revenue is not subject to TABOR.

**Table 2**  
**Revenue Under SB 21-218**

<b>Fiscal Year</b>	<b>Technology Fund Revenue</b>
FY 2020-21	\$4,300,000
FY 2021-22	\$13,800,000
FY 2022-23	\$17,800,000

## State Transfers

As of March 22, 2021, there was a cash balance of \$591,215 in the Technology Fund. Based on current law, as clarified in this bill, any of this amount that was not encumbered as of June 30, 2020, is expected to be transferred to the UCF.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State and Local Government Contacts

Labor                                      Joint Budget Committee Staff



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0844	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Rankin Rep. McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Erin Reynolds   303-866-4146 Erin.Reynolds@state.co.us
<b>Bill Topic:</b>	<b>COLORADO AVALANCHE INFORMATION CENTER FUND APPROPS</b>		
<b>Summary of Fiscal Impact:</b>	<b>Budget package bill — no fiscal impact.</b> The bill continuously appropriates funding from the State Highway Fund to the Colorado Avalanche Information Center. It is assessed as having no fiscal impact.		
<b>Appropriation Summary:</b>	No appropriation is required.		
<b>Fiscal Note Status:</b>	The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.		

## Summary of Legislation

Currently, all money in the Colorado Avalanche Information Center (CAIC) Fund is subject to annual appropriation by the General Assembly to the Department of Natural Resources (DNR) for direct and indirect costs associated with the CAIC. Pursuant to an intergovernmental agreement between the DNR and the Colorado Department of Transportation (CDOT), State Highway Fund money that is continuously appropriated to CDOT is credited to the CAIC Fund to provide funding to the CAIC for work associated with the Highway Avalanche Safety Program in reducing avalanche risk on state highways. Beginning in FY 2021-22, the bill continuously appropriates this State Highway Fund money to the DNR for the CAIC's costs associated with the Highway Avalanche Safety Program.

## Assessment of No Fiscal Impact

The bill continuously appropriates existing funding to the CAIC in the DNR. It will not increase or decrease state or local revenue or expenditures and has been assessed as having no fiscal impact.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State and Local Government Contacts

Joint Budget Committee

Natural Resources

Transportation

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes).



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 21-0846  
**Prime Sponsors:** Sen. Hansen; Rankin  
Rep. Herod  
**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Max Nardo | 303-866-4776  
Max.Nardo@state.co.us

**Bill Topic:** REVERSE TRANSFERS FROM SEVERANCE TAX OPERATIONAL FUND

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** The bill transfers a total of \$8.1 million from five cash funds in the Department of Natural Resources to the Severance Tax Operational Fund.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee.

**Table 1**  
**State Fiscal Impacts Under SB 21-220**

		Current Year FY 2020-21	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-	-
Expenditures		-	-	-
Transfers	Severance Tax Operational Fund	\$8,113,141	-	-
	Other Cash Funds	(\$8,113,141)	-	-
	<b>Net Transfers</b>	<b>\$0</b>	-	-
TABOR Refund		-	-	-

## Summary of Legislation

On the bill's effective date, the following fund transfers are made to the Severance Tax Operational Fund in the Department of Natural Resources (DNR):

- \$1,998,205 from the Species Conservation Trust Fund;
- \$1,600,964 from the Division of Parks and Wildlife Aquatic Nuisance Species Fund;
- \$219,803 from the Water Efficiency Grant Program Cash Fund;
- \$297,759 from the Interbasin Compact Committee Operation Fund; and
- \$3,996,410 from the Water Supply Reserve Fund.

## Background

The Severance Tax Operational Fund receives 25 percent of severance tax revenue. Money in the fund is used primarily for two purposes: (1) *Core departmental programs*, which are ongoing staff and operations at DNR plus the Colorado Geological Survey, all subject to annual appropriation; and (2) *natural resources and energy grant programs*, which receive funds remaining after core departmental programs are appropriated, and are distributed proportionally based on the available revenue.

The bill reverses five natural resources and energy grant program transfers made on August 15, 2020.

## State Transfers

A total of \$8,113,141 is transferred from five cash funds in the Department of Natural Resources to the Severance Tax Operational Fund, as detailed above. The transfers take place on the bill's effective date, which is assumed to fall in the current FY 2020-21.

## State Expenditures

The bill has a net neutral impact on state expenditures. In the short term, expenditures in DNR core departmental programs will increase by the amounts transferred, with the specific allocation among the core programs determined through the annual budget process, while expenditures decrease in the five natural resources and energy grant programs that funds are transferred out of.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State and Local Government Contacts

Natural Resources

Joint Budget Committee Staff

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes).



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0924	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Hansen; Rankin Rep. McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Josh Abram   303-866-3561 Josh.Abram@state.co.us
<b>Bill Topic:</b>	<b>PROJECTS UNDER WILDFIRE RISK MITIGATION GRANT PROGRAM</b>		
<b>Summary of Fiscal Impact:</b>	<b>No Fiscal Impact.</b> The bill removes the \$1.0 million limit for grant share of individual projects from a wildfire mitigation grant program.		
<b>Appropriation Summary:</b>	No appropriation is required.		
<b>Fiscal Note Status:</b>	<b>Budget package bill.</b> The fiscal note reflects the introduced bill, which is recommended by the Joint Budget Committee.		

## Summary of Legislation

The bill removes the \$1.0 million limit for the grant share of individual projects under the Forest Restoration and Wildfire Risk Mitigation Grant Program in State Forest Service at Colorado State University. The bill also modifies evaluation criteria for awarding grants to show preference for projects that have adopted local mitigation measures and that complement grant funds.

## Assessment of No Fiscal Impact

The bill does not change appropriations and will have no impact on program administration or the amount of grants awarded for wildfire risk mitigation. For this reason, the bill is assessed as having no fiscal impact.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State and Local Government Contacts

Higher Education

Joint Budget Committee

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes).



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 21-0834  
**Prime Sponsors:** Sen. Rankin  
Rep. Ransom

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Sonia Hatfield | 303-866-5851  
Sonia.Hatfield@state.co.us

**Bill Topic:** REPEAL RECOVERY AUDIT PROGRAM

**Summary of  
Fiscal Impact:**

- |   |  |
|---|--|
| <input type="checkbox"/> State Revenue                | <input type="checkbox"/> TABOR Refund            |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government        |
| <input type="checkbox"/> State Transfer               | <input type="checkbox"/> Statutory Public Entity |

**Budget package bill.** This bill repeals the State Recovery Audit Program. Starting in FY 2021-22 and in future years it reduces state expenditures on an ongoing basis.

**Appropriation Summary:** For FY 2021-22, the bill includes a reduction in appropriations to the Department of Personnel and Administration of \$64,714.

**Fiscal Note Status:** This fiscal note reflects the introduced bill. This bill is recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-222**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	General Fund	(\$64,714)	(\$64,714)
	Centrally Appropriated	(\$15,765)	(\$15,765)
	<b>Total</b>	<b>(\$80,479)</b>	<b>(\$80,479)</b>
	<b>FTE</b>	<b>(1.0 FTE)</b>	<b>(1.0 FTE)</b>
Transfers		-	-
TABOR Refund		-	-

## **Summary of Legislation**

Under the State Recovery Audit Program, every three years the Department of Personnel is required to hire an outside audit firm to conduct a recovery audit to identify improper payments made by an entity to vendors and other entities in connection with the payment activities. This bill repeals the State Recovery Audit Program on July 1, 2022, and eliminates the program appropriation for FY 2021-22.

## **State Expenditures**

This bill reduces state expenditures in the Department of Personnel and Administration by \$80,479 and 1.0 FTE in FY 2021-22 and future years.

**Personal services.** By repealing the Recovery Audit Program, the bill eliminates 1.0 FTE and reduces personal services costs by \$64,714 per year starting in FY 2021-22. This staff manages the audit program, including administering the contract and coordinating with state agencies.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$15,765 per year.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

In FY 2021-22, the bill includes a reduction in General Fund appropriations to the Department of Personnel and Administration of \$64,714 and 1.0 FTE.

## **State and Local Government Contacts**

Personnel





## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 21-0845  
**Prime Sponsors:** Sen. Hansen  
Rep. Ransom

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Jeff Stupak | 303-866-5834  
Jeff.Stupak@state.co.us

**Bill Topic:** LOCATION OF DEPARTMENT OF REVENUE ADMINISTRATIVE HEARING

**Summary of Fiscal Impact:** **Budget package bill — no fiscal impact.** The bill allows for flexibility in where and how a Department of Revenue administrative hearing may be held. The bill will have no impact on state or local government revenue or expenditures.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee.

## Summary of Legislation

Under current law, in cases where a taxpayer disputes a notice of tax deficiency from the Department of Revenue, and the disputed deficiency involves gift taxes or exceeds \$200 and does not involve sales and use taxes, the associated administrative hearing must take place in the City and County of Denver.

The bill allows an administrative hearing to be held in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, or Jefferson counties, and allows for remote participation at the request of the taxpayer. Additionally, in cases where the taxpayer's principle place of business is within Colorado and the disputed deficiency is \$200 or less, the hearing may be conducted at the nearest district office to where the taxpayer lives or the location of their principle place of business.

## Assessment of No Fiscal Impact

The bill creates the option for the Department of Revenue to hold certain administrative hearings outside of the City and County of Denver. This alternative practice requires equal effort to current practices, and therefore the bill is assessed as having no fiscal impact.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

**State and Local Government Contacts**

Information Technology

Personnel

Revenue



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 21-0909  
**Prime Sponsors:** Sen. Hansen  
Rep. Ransom

**Date:** April 05, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Matt Bishop | 303-866-4796  
Matt.Bishop@state.co.us

**Bill Topic:** CAPITAL-RELATED TRANSFERS OF MONEY

**Summary of  
Fiscal Impact:**

- |  |  |
|--|--|
| <input type="checkbox"/> State Revenue             | <input type="checkbox"/> TABOR Refund            |
| <input type="checkbox"/> State Expenditure         | <input type="checkbox"/> Local Government        |
| <input checked="" type="checkbox"/> State Transfer | <input type="checkbox"/> Statutory Public Entity |

**Budget package bill.** In FY 2021-22, the bill makes various transfers to fund capital construction and information technology projects.

**Appropriation  
Summary:** No appropriation is required.

**Fiscal Note  
Status:** The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-224**

	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	-	-
Expenditures	-	-
Transfers		
General Fund	(\$326,615,234)	-
General Fund Exempt Account	(\$500,000)	-
Emergency Controlled Maintenance Account	(\$8,000,000)	-
Capital Construction Fund	\$198,074,932	-
IT Capital Account	\$27,040,302	-
Controlled Maintenance Trust Fund	\$110,000,000	-
Net Transfers	\$0	-
TABOR Refund	-	-

## **Summary of Legislation**

The bill makes a variety of transfers to fund capital construction and information technology projects.

## **State Transfers**

On July 1, 2021, the bill transfers:

- \$189,574,932 from the General Fund to the Capital Construction Fund;
- \$110,000,000 from the General Fund to the Controlled Maintenance Trust Fund;
- \$27,040,302 from the General Fund to the IT Capital Account;
- \$8,000,000 from the Emergency Controlled Maintenance Account within the Capital Construction Fund to the Capital Construction Fund; and
- \$500,000 from the General Fund Exempt Account to the Capital Construction Fund.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Joint Budget Committee Staff



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

**Drafting Number:** LLS 21-0925  
**Prime Sponsors:** Sen. Rankin  
Rep. Ransom

**Date:** April 5, 2021  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Aaron Carpenter | 303-866-4918  
Aaron.Carpenter@state.co.us

**Bill Topic:** REPAY CASH FUNDS FOR 2020 TRANSFERS

**Summary of  
Fiscal Impact:**

- |  |  |
|--|--|
| <input type="checkbox"/> State Revenue             | <input type="checkbox"/> TABOR Refund            |
| <input type="checkbox"/> State Expenditure         | <input type="checkbox"/> Local Government        |
| <input checked="" type="checkbox"/> State Transfer | <input type="checkbox"/> Statutory Public Entity |

The bill makes two \$5.0 million General Fund transfers to two cash funds. The bill decreases available General Fund revenue and increases funds available to each cash fund.

**Appropriation  
Summary:** No appropriation is required.

**Fiscal Note  
Status:** This fiscal note reflects the introduced bill. It was recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-225**

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures		-	-
Transfers	General Fund	(\$10.0 million)	-
	Cash Funds	\$10.0 million	-
	Net Transfer	\$0	-
TABOR Refund		-	-

## **Summary of Legislation**

The bill makes transfers from the General Fund to the Small Communities Water and Wastewater Grant Cash Fund and the Off-Highway Vehicle Recreation Cash Fund.

## **State Transfers**

On July 1, 2021, the bill transfers \$5 million from the General Fund to the Small Communities Water and Wastewater Grant Cash Fund in the Colorado Department of Public Health and Environment and \$5.0 million from the General Fund to the Off-Highway Vehicle Recreation Cash Fund in the Department of Natural Resources. These are one-time transfers.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Natural Resources

Public Health and Environment



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0931	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Moreno Rep. McCluskie	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Greg Sobetski   303-866-4105 Greg.Sobetski@state.co.us

**Bill Topic:** INCREASE THE GENERAL FUND RESERVE

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** This bill increases the statutory General Fund reserve requirement to 13.54 percent of General Fund appropriations for FY 2021-22 and to 15.00 percent of appropriations beginning in FY 2022-23. It decreases the amount of money available for discretionary General Fund appropriations beginning in FY 2021-22.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee.

## Summary of Legislation

For FY 2021-22 and later years, the bill increases the balance required to be retained in the General Fund at the end of each fiscal year. Table 1 compares the reserve requirements under the bill to those in current law.

**Table 1**  
**General Fund Reserve Requirements under Current Law and SB 21-226**  
*Percentage of General Fund Appropriations*

	Current Law	SB 21-226
FY 2020-21	2.86 percent	2.86 percent
FY 2021-22	2.86 percent	13.54 percent
FY 2022-23 and later years	7.25 percent	15.00 percent

## **State Expenditures**

This bill does not directly decrease state expenditures, but decreases the amount of money available for appropriation at the discretion of the General Assembly during the 2021 and subsequent legislative sessions. The reserve requirement calculated using the percentages in the bill will depend on actual appropriations for FY 2021-22 and later years. Assuming General Fund appropriations of approximately \$12.84 billion for FY 2021-22, the bill is estimated to increase the reserve requirement by about \$1.37 billion, from \$0.37 billion to \$1.74 billion.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Joint Budget Committee Staff



**Legislative Council Staff***Nonpartisan Services for Colorado's Legislature***Fiscal Note**

<b>Drafting Number:</b>	LLS 21-0934	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Moreno; Rankin Rep. Ransom	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Matt Bishop   303-866-4796 Matt.Bishop@state.co.us

<b>Bill Topic:</b>	<b>STATE EMERGENCY RESERVE</b>
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<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** The bill creates the State Emergency Reserve Cash Fund, transfers money into the fund, designates the emergency reserve for FY 2021-22, and updates requirements for declared emergency reimbursements.

<b>Appropriation Summary:</b>	No appropriation is required.
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<b>Fiscal Note Status:</b>	The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.
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**Table 1  
State Fiscal Impacts Under SB 21-227**

		<b>Current Year FY 2020-21</b>	<b>Budget Year FY 2021-22</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>		-	-
<b>Transfers</b>	General Fund	(\$101.0 million)	-
	Controlled Maintenance Trust Fund	(\$100.0 million)	-
	State Emergency Reserve Cash Fund	\$201.0 million	-
	<b>Total</b>	<b>\$0</b>	-
<b>TABOR Refund</b>		-	-

## **Summary of Legislation**

The Colorado Constitution requires that the state maintain an emergency reserve to be used for declared emergencies. The bill creates the State Emergency Reserve Cash Fund, transfers money into the fund, and designates the cash and capital assets that constitute the emergency reserve for FY 2021-22. The bill also allows the Governor to transfer money from the State Emergency Reserve Cash Fund to the Disaster Emergency Fund in the case of an emergency, and requires that any reimbursement the state receives for money expended for a declared emergency replenish the fund used for the expenditure.

## **State Transfers**

On June 30, 2021, the bill transfers funds to the State Emergency Reserve Cash Fund in the following amounts:

- \$101 million from the General Fund; and
- \$100 million from the Controlled Maintenance Trust Fund.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Joint Budget Committee Staff

**Legislative Council Staff***Nonpartisan Services for Colorado's Legislature***Fiscal Note**

<b>Drafting Number:</b>	LLS 21-0947	<b>Date:</b>	April 05, 2021
<b>Prime Sponsors:</b>	Sen. Hansen; Moreno Rep. McCluskie; Ransom	<b>Bill Status:</b>	Senate Appropriations
		<b>Fiscal Analyst:</b>	Erin Reynolds   303-866-4146 Erin.Reynolds@state.co.us

<b>Bill Topic:</b>	<b>DIRECT DISTRIBUTION CASH FUND</b>
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<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** The bill creates the Public Employees' Retirement Association Payment Cash Fund and requires the FY 2022-23 direct distribution to be paid from the fund. The bill creates a one-time transfer in the current FY 2020-21.

<b>Appropriation Summary:</b>	For the current FY 2020-21, the bill includes an appropriation of \$380.0 million to Office of the State Treasurer.
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<b>Fiscal Note Status:</b>	The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.
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**Table 1  
State Fiscal Impacts Under SB 21-228**

		Current Year FY 2020-21	Budget Year FY 2021-22	Out Year FY 2022-23
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	General Fund	-	-	(\$167.4 million)
	Reappropriated Funds	-	-	(\$57.6 million)
	Cash Funds	-	-	\$225.0 million
	<b>Total Expenditures</b>	-	-	<b>\$0</b>
<b>Transfers</b>	General Fund	(\$380.0 million)	-	-
	Cash Funds	\$380.0 million	-	-
	<b>Net Transfer</b>	<b>\$0</b>	-	-
<b>TABOR Refund</b>		-	-	-

<sup>1</sup> FY 2022-23 direct distribution expenditures are based on amounts in the FY 2021-22 Long Bill.

## **Summary of Legislation**

The bill creates the Public Employees' Retirement Association (PERA) Payment Cash Fund in the State Treasury to consist of money appropriated or transferred by the General Assembly and any interest payments. The State Treasurer is required to make the \$225.0 million direct distribution payment due to PERA on July 1, 2022, from the fund. Subject to annual appropriation, money in the fund may be used by the state for any employer contribution or disbursement to PERA.

## **Background**

Pursuant to Senate Bill 18-200, the state is required to make a direct distribution of \$225.0 million on July 1 each year to PERA until the unfunded liabilities of the state, judicial, school, and Denver Public Schools (DPS) divisional trusts are paid. HB 20-1379 suspended the direct distribution for one year. PERA is required to credit these funds proportionally to the relevant divisional trusts based on the reported payroll for each participating division for the prior plan year ending December 31. Every year, PERA must determine the unfunded liability status of each division by September 1, and notify the Office of State Planning and Budgeting and the Joint Budget Committee when a division's unfunded liability has been paid and the direct distribution is no longer required.

## **State Transfers**

The bill appropriates \$380.0 million from the General Fund to the PERA Payment Cash Fund in the current FY 2020-21. This transfer represents an upfront contribution toward future-year PERA direct distribution payments, as described in the State Expenditures section below.

## **State Expenditures**

While the bill does not increase net expenditures for PERA direct distribution payments, it is expected to shift \$225.0 million in required FY 2022-23 spending from the General Fund and reappropriated funds to the newly created PERA Payment Cash Fund. Based on the fund split in the FY 2021-22 Long Bill, spending from the new cash fund will reduce General Fund spending by \$167.4 million and reappropriated funds by \$57.6 million in FY 2022-23. After making the required direct distribution payment to PERA on July 1, 2022, \$155.0 million will remain in the PERA Payment Cash Fund for annual appropriation by the General Assembly.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For the current FY 2020-21, the bill includes an appropriation of \$380,000,000 from the General Fund to the PERA Payment Cash Fund.

## **State and Local Government Contacts**

Joint Budget Committee

Personnel

PERA

Treasury

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes).